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IAC-D-57/2

16 November 1954

CENTRAL INTELLIGENCE AGENCY

16 November 1954

SUBJECT: Post-Mortem of NIE Production for the Period 1 January
to 30 June 1954

The following is a review of intelligence deficiencies revealed in the preparation of National Intelligence Estimates during the first six months of 1954. These deficiencies identify areas in which intelligence information is inadequate due either to gaps in collection or in research and analysis. No attempt is made to deal with the validity of substantive judgments made in the estimates. No order of priority is implied in the listing of gaps within sections. The estimates upon which these consolidated findings are based are listed in Tab A.

1. General

Since the intelligence deficiencies noted in this report reflect only the estimates undertaken during the six month period being reviewed, the list is by no means complete. In spite of the substantial intelligence information available, there continue to be numerous areas in which significant data are lacking. In general, it will be noted that the most important intelligence deficiency in the Soviet Bloc is one of collection, a fact which emphasizes the necessity for greater collection efforts in this area. Meanwhile, there is a need for full exploitation of available information. In most other areas, notably in Western Europe, the over-all coverage is good and vast quantities of data are available. The problem here is largely one of research and analysis rather than collection.

2. Soviet Bloc (excluding Communist China)

Gaps in intelligence on the Soviet Bloc continue to be those inherent in the restrictive security policies of the Communist states. However, the methods open to US intelligence for exploiting the

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limited range of data available are capable of further development and improvement. In general, the most significant gaps continue to be those relative to economic trends and scientific and technological developments. There also are gaps in many aspects of Soviet military capabilities. Estimative work in the period under review indicated a need for greater collection efforts or more effective and more generally acceptable analytical methods in the following fields:

- a. Soviet Economy. Intelligence on the Soviet economy continues to be limited. Agencies having intelligence production responsibilities in this field should examine the possibility of more effective collection efforts in the Satellite area which might yield data of significance for the USSR as well as for the Satellites themselves. There is also a need for a closer common understanding among the agencies on the analytical methods to be employed in working from limited data, especially in such fields as the calculation of gross national product and rates of economic growth, comparisons of the magnitude of Soviet economic achievements with those of Western countries, and estimates of the proportion of Soviet economic resources that can be allocated to military purposes.
- b. Soviet Aircraft. There is urgent need for more, and more reliable, data on Soviet aeronautical research and development programs; actual aircraft production; aircraft characteristics, and the capabilities of new Soviet aircraft types, especially long-range bombers and all-weather interceptors.
- c. Soviet Airfield Development. An intensified effort is required to collect more information on the development of Soviet airfields, especially those capable of supporting long-range bombers for attacks on the US and its overseas installations.

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- d. Soviet Logistics. A greater collection effort is needed for information bearing on the Soviet logistic capability to support continuing ground, naval, and air operations in various theaters, with special emphasis on the long-range air force and the air defense system.
- e. Nuclear Weapons. There is a continuing and urgent need for more effective collection and a greater analytical effort on weapons of mass destruction (such as the atomic cannon).
- f. Application of Nuclear Energy. Very little evidence is available on Soviet efforts with respect to the power applications of atomic energy. This field has special significance in view of proposals currently being considered at the international level.
- g. Guided Missiles. There is a continuing and urgent need for more effective collection and a greater analytical effort on all aspects of the Soviet guided missile program. (For details see the post-mortem, now in preparation, on NIE 11-6-54, 5 October 1954.)
- h. BW, RW, CW. No reliable information is available which indicates the status of Soviet developments in the fields of biological, radiological, and chemical warfare, nor on Soviet intentions relating thereto.
- i. Submarines. Although information on the numbers of Soviet submarines is very good, there is insufficient information on the technical characteristics of new submarines, particularly propulsion, weapons for use with submarines (torpedoes, mines, missiles), and tactics.

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3. Far East

The most critical uncertainties in this area recurred in one form or another in the preparation of many of the estimates produced during this period. Certain of the gaps listed probably can never be closed, others could be closed by greater collection efforts, while the remainder could be narrowed by improved analysis of available data.

- a. Sino-Soviet Relations. More reliable information is necessary on these questions: What is Peiping's role in the formulation and execution of major Communist policies in Asia? What division of responsibilities exists with respect to North Korea, Indochina, and the Asian Communist Parties? Are there any major differences over desired strategy or timing? For example, which partner was chiefly responsible for the Communist decision for an armistice in Korea? In Indochina? For what reasons? What is the extent and nature of Soviet economic and military assistance, particularly overland, to Communist China? What is the extent and nature of Soviet influence or control in the Chinese Communist Party and Government?
- b. Chinese Communist Domestic Developments. The work done by the IAC agencies in preparing NIE 13-54 "Communist China's Power Potential through 1957," resulted in better coverage than hitherto of developments within Communist China. However, the preparation of this and other estimates during this period revealed that our intelligence coverage on Communist China is still very inadequate on a number of questions, as is to a lesser extent our analysis of available data. We have to rely too largely on Chinese Communist public statements for our estimates of economic developments in mainland China. Our information is not adequate enough, nor is there an area of common agreement on methodology sufficiently large, to permit an agreed estimate on the capacity of the mainland transportation system. In

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agriculture we lack reliable information on production, the rate of collectivization, and peasant reactions to the regime's agricultural policy. We know that some kind of disciplining of party and government personnel at the highest level has been occurring, but we have no firm or detailed evidence concerning policy or personality differences within Communist China's top leadership. Lastly, the preparation of NIE 13-54 has revealed that more reliable intelligence is needed on the question of public attitudes in China toward the regime.

- c. Viet Minh Capabilities and Intentions. We need more objective intelligence on Viet Minh capabilities and intentions. Estimates on the Viet Minh were based primarily on military and political information received from French sources supplemented by the comments of US observers. This was particularly the case with respect to intelligence on Viet Minh military capabilities.
- d. Other Deficiencies:
 - (1) French Policy: French objectives and policies with reference to the Associated States and French plans for implementing them.
 - (2) Laos and Cambodia. The quality and stability of the military and national leadership.
 - (3) Indonesian politics. Our ability to estimate future trends and developments in Indonesia has been limited by insufficient coverage of inter and intra-party activities, particularly at local levels.
 - (4) Communist relationships in the Philippines. Relationships among the Huks, the CCP, and the PCP are not clear.
 - (5) Japan. The questions of the extent and nature of Marxist and Communist influence in Japan, the

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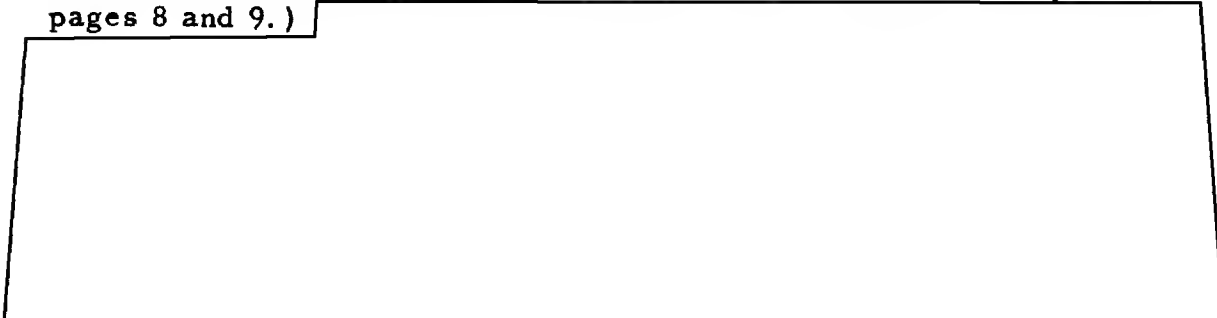
covert capabilities of the Japanese Communist Party, and the relations of the JCP with Moscow and Peiping remain major problems requiring greater intelligence efforts.

4. Western Europe

The major intelligence problems with regard to Western Europe primarily involve the evaluation, analysis, and synthesis of vast quantities of data, rather than collection deficiencies. However, production of NIE 100-54, "Probable Effects of Increasing Nuclear Capabilities Upon the Policies of US Allies," revealed the importance of systematic collection of all possible evidence on the attitude and fears of foreign peoples and governments with respect to the threat of nuclear warfare in an age of "nuclear plenty."

5. Middle East-South Asia

25X1 The two national intelligence estimates in this area completed during the first half of 1954 confirmed the continued existence of intelligence gaps noted previously. (See O/NE Memorandum to the IAC, "Post-Mortem of NIE Production for 1953," dated 13 May 1954, pages 8 and 9.)



6. Latin America

Over-all intelligence coverage of the Latin American area is good, although deficiencies still exist in the following fields:

- a. The political positions of important military figures, trends in the political views of both senior and junior military officers, and the

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degree of dissatisfaction within the officer corps in regard to their governments. In Bolivia, the strength, capabilities, and loyalty of the civilian militia.

- b. The political orientation, the economic status, the personalities, and factionalism of labor movements.
- c. Trends in Communist Party strengths and capabilities; in Communist infiltration of government, labor, and intellectual circles; and in the inter-territorial coordination and communications procedures between Communist movements.

7. Miscellaneous Estimates

The NIE's produced during the period in the 100 (Miscellaneous) series were rather specialized estimates dealing primarily with questions involving speculation and judgment on which little "evidence" was available. However, NIE 100-3-54 "Consequences of a Relaxation of non-Communist Controls on Trade with the Soviet Bloc" indicated, as have other East-West trade estimates, the need for better evidence with respect to Soviet scientific and technological developments in order to more adequately determine the "qualitative" (as opposed to the quantitative) importance of imports from the West to Soviet military strength.

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Tab A to
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National Intelligence Estimates Published

From 1 January 1954 to 30 June 1954*

00 Series: GENERAL

None

10 Series: SOVIET BLOC

NIE 10-54	Soviet Bloc Economic Warfare Capabilities and Courses of Action (9 March 1954)
NIE 10-2-54	Communist Courses of Action in Asia through Mid-1955 (15 March 1954)
NIE 10-3-54	Communist Capabilities in Indochina (1 June 1954)
SNIE 10-4-54	Communist Reactions to Certain US Courses of Action with Respect to Indochina (15 June 1954)
SNIE 10-5-54	Soviet Bloc Reaction to Certain US Courses of Action to Restrict Bloc Representation in the US (29 June 1954)
SNIE 11-54	Likelihood of General War through 1957 (15 February 1954)
SNIE 11-2-54	Soviet Capabilities for Attack on the US through 1957 (24 February 1954)

*NOTE: Prior to 22 June dissemination date is shown. Subsequent estimates show the date on which IAC action was taken.

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NIE 11-3A-54	Summary of the Soviet Atomic Energy Program to Mid-1957 (16 February 1954)
NIE 11-5-54	Soviet Capabilities and Main Lines of Policy through Mid-1959 (7 June 1954)
NIE 12.4-54	Probable Developments in East Germany through 1955 (22 January 1954)
NIE 13-54	Communist China's Power Potential through 1957 (3 June 1954)

20 Series: WESTERN EUROPE

NIE 20-54	The Outlook for Western Europe over the Next Decade (26 April 1954)
NIE 27.1-54	Probable Developments in Spain (17 May 1954)
NIE 28.5-54	Current Situation and Probable Developments in Finland during 1954 (8 January 1954)

30 Series: NEAR EAST

NIE 30-54	Prospects for Creation of a Middle East Defense Grouping and Probable Consequences of Such a Development (22 June 1954)
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40 Series: FAR EAST

None

50 Series: SOUTH ASIA

SNIE 50-54	The Probable Repercussions of a US Decision to Grant or Deny Military Aid to Pakistan (15 January 1954)
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60 Series: SOUTHEAST ASIA

NIE 63-54	Consequences within Indochina of the Fall of Dien Bien Phu (30 April 1954)
SNIE 63-2-54	The Effects of Certain Possible Developments on the Military Security and Political Stability of Laos and Cambodia through 1954 (9 June 1954)
NIE 63-3-54	Probable Military and Political Developments in Indochina (21 May 1954)
NIE 63-4-54	Probable Military and Political Developments in Indochina over the Next 30 Days (15 June - 15 July) (15 June 1954)
NIE 65-54	The Probable Outlook in Indonesia through 1954 (19 May 1954)
NIE 66-54	Probable Developments in the Philippine Republic (23 March 1954)

70 Series: AFRICA

None

80 Series: CARIBBEAN AREA

NIE 87-54	The European Dependencies in the Caribbean Area (16 March 1954)
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90 Series: SOUTH AMERICA

NIE 91-54	Probable Developments in Argentina (9 March 1954)
NIE 92-54	Probable Developments in Bolivia (19 March 1954)

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100 Series: MISCELLANEOUS

NIE 100-54	Probable Effects of Increasing Nuclear Capabilities upon the Policies of US Allies (26 April 1954)
SNIE 100-2-54	Probable Reactions of Communist China, the USSR, and the Free World to Certain US Courses of Action in Korea (9 March 1954)
NIE 100-3-54	Consequences of a Relaxation of Non-Communist Controls on Trade with the Soviet Bloc (23 March 1954)

Tab A to
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SIGNATURE RECORD AND COVER SHEET		
DOCUMENT DESCRIPTION		REGISTRY
SOURCE		CIA CONTROL NO.
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IAC-D-57/1
1 May 1953

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INTELLIGENCE ADVISORY COMMITTEE

PROGRESS REPORTS ON ACTIONS TO IMPROVE
INTELLIGENCE COVERAGE OF COMMUNIST CHINA

*To be inserted
later*

1. Attached for your information are two reports (TABs A and B) which attempt to bring up to date the status of subject actions, previously reported on 21 October 1952 (IAC-D-57).

2. The previous reports resulted exclusively from action taken following a post-mortem on SE-27. Those now transmitted also bear directly on that estimate. In the interim, however, the Office of National Estimates, in cooperation with the other agencies, has issued a memorandum summarizing the results of three post-mortems: on NIE-47, "Communist Capabilities and Intentions in Asia;" on NIE-55/1, "Communist Capabilities and Probable Courses of Action in Korea;" and on NIE-58, "Relations Between the Chinese Communist Regime and the USSR: Their Present Character and Probable Future Courses" (Memorandum to AD/IC, dated 28 January 1953, TAB C).

3. As has been recognized by the IAC representatives, the actions taken initially in response to SE-27 are equally significant in connection with these three later post-mortems. Moreover, many of the gaps referenced in the paper of January 28 (particularly 1(a), 2(a), 2(d), 3, 4, 5, C-1(a)) are covered by the collection priorities earlier assigned by the IPC in pursuance of DCID 4/2. (It should be borne in mind that whereas gaps in most cases raise research problems, the IPC effort is directed not at research but exclusively at obtaining raw information.) The rest of the gaps mentioned are not now covered by targets accepted under IPC priorities, though in some instances there will be useful reports from covert sources collected incidental to primary targets.

4. The administrators of the collection systems of the Foreign Service, the Service Attaches, and CIA have stated that adequate requirements and priorities for obtaining additional information on these matters have been served. These requirements and priorities, as well as collection responsibilities, are constantly re-examined and revised to reflect essential gaps in information.

Secretary

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1 May 1953